



Illinois State Medical Society

January 22, 2014

The Honorable Patrick Quinn
Governor, State of Illinois
207 State Capitol
Springfield, IL 62706

Subject: Comments on Medicaid 1115 Draft Application

Dear Governor Quinn:

On behalf of the Illinois State Medical Society (ISMS), I write to submit our organization's comments on the recently posted draft Medicaid 1115 Waiver application. The ISMS is a professional organization that represents and unifies its physician members as they practice the science and art of medicine. The Society represents the interests of member physicians, advocates for patients and promotes the doctor-patient relationship, the ethical practice of medicine, and the betterment of the public health.

First and foremost, as the State's Medicaid program expands to ensure that vulnerable Illinoisans maintain access to needed medical care, ISMS reiterates our desire to see that this is done in a responsible manner, remaining conscious of our state's fragile financial situation, and promoting competition, consumer choice and program stability. ISMS has given Medicaid expansion a lot of thought, and recently developed a document that articulates our organization's desired goals for any modification of the Medicaid program, attached: *ISMS Principles for Medicaid Waiver Applications*.

Below are our comments, specific to the four Pathways articulated in the draft:

Delivery System Transformation

One of the foundations of the State's transformation plan is provider-driven models of care that assume risk and coordinate care for specific populations. These include Accountable Care Entities (ACEs), Managed Care Community Networks (MCCNs) and others. However, in terms of provider capacity to deliver care within those entities, evidence is now

emerging that provider organizations are reluctant to take on this type of risk in today's market. It has been reported that fewer ACEs have been established than the state expected, which we believe calls into question the goal of rapidly moving a large percentage of the Medicaid population into managed care and the long-term viability of this model.

ISMS applauds the State's proposal to use existing governmental institutions such as Cook County Health and Hospital System and University of Illinois Health to improve coordination and efficiency of care delivery to targeted populations. We are also heartened to see plans for a pilot program to address the massive over-utilization of emergency rooms, and to better coordinate care for ER "high flyers." This is an area ripe for cost containment.

ISMS applauds the State's commitment to establish a statewide telemedicine program to address access to specialists in rural areas. ISMS is working with the insurance industry and medical specialty societies, including psychiatry, to bring greater access to telehealth in Illinois through legislation. Telehealth services allow for the provision of services including the examination, assessment, diagnosis, consultation, treatment, education, care management, and self-management of a patient's health care while the patient is at a distant site; telehealth facilitates patient self-management and caregiver support for patients and telehealth allows for the delivery of health care, mental health care, substance use disorder treatment, by a health care professional to deliver a health care service within the professional's scope of practice.

In reviewing the totality of the Waiver's language on care delivery transformation, we are dismayed by the lack of consumer-directed plan options available, and strongly urge the state to beta-test models that empower patients to make their own healthcare choices utilizing health savings accounts (HSAs) or similar patient-directed options. Such financial tools have been tested successfully in other states (Indiana and Florida come to mind), and this reform effort provides an excellent opportunity to try the model here in Illinois. The Waiver proposal indicates that the State expects an increase of up to 500,000 people in the Illinois Medicaid program; certainly, there is opportunity to then create a pilot for a certain segment of our Medicaid recipients. While this model may not be appropriate for all Medicaid beneficiaries, a pilot in this area would demonstrate the State's support for a pluralistic system and allay fears about movement towards a centralized, command-control model.

Not a lot of detail has been provided about the economic modeling conducted by the University of Illinois at Chicago that supposedly demonstrates this proposal's ability to achieve budget neutrality.

We are not even sure if such modeling can be construed as a true actuarial analysis of the plan's ability to achieve budget neutrality, and given the extremely fragile financial condition of our State, we remain very concerned.

ISMS is concerned about the lack of definition or specificity around the new Innovation and Transformation Resource Center, which seems to be a centralized bureaucracy for decision control and program mandates. We will watch very carefully how the evolution of this entity bears on clinical autonomy and the delivery of individualized patient care.

Population Health

While ISMS lauds the State's goal of being "committed to building linkages between public health and health care delivery systems and expanding the capacity of the healthcare system to manage the health of defined populations," we do have some questions and concerns. Despite the innocuous use of the term "population health," we are fearful of the State's push for a philosophical transformation of medicine; this document seems to espouse moving away from individual choice and the sanctity of the patient-physician relationship in determining individual patient care, and toward centralized decision-making on behalf of "defined populations." As such, there is a de-emphasis on the consideration of care for each individual, including the preservation of the physician's clinical autonomy in the diagnosis and treatment of individual patients, and a prioritization toward decision-making targeted at "populations." We are additionally concerned that the waiver has very little articulation of prevention and education programs that are the pillar of improved health for both individuals and populations. And we have concerns with much that is undefined in this Pathway, including Regional Public Health Hubs, "the integration of public health and traditional health care delivery," and the technical specifics of the anti-trust protection the state will grant to hospitals and health systems to "come together to collaborate on community health interventions." These terms and concepts need further definition and explanation.

Workforce

ISMS lauds the Waiver application's emphasis on team-based care and we reiterate our commitment to, and policy in support of physician-led, team-based care within the context of the patient-centered medical home delivery model. We applaud the state for supporting funding for a primary care provider loan repayment program, despite the lack of specificity of that support in this document. Additionally, we are supportive of proposals for a Medicaid Graduate Medical Education program, although we have concerns about the State's attempt to specifically define needs and payment levels without any apparent input from the multiple accredited medical schools within the state.

Despite the lack of details concerning the certification of Community Health Workers – their required level of education and training, and their scope of practice – ISMS does support a plan for allied health care professionals to address certain societal and environmental barriers to health access and compliance. However, oblique references to medical professionals working “at the top of their training and education” need to be further explained and defined. While we support removal of any barriers that actually prevent professionals from working to the fullest extent of their education and training, we will not support independent practice for non-physician, allied health practitioners, and oppose using the 1115 Waiver process as a vehicle to pursue independent practice for allied health professionals.

Again, much here is undefined, including any articulation of specific designated State Health Programs for workforce development and training through either the University of Illinois or Southern Illinois University. Additionally, the declining funding for Medicaid GME over the five-year Waiver period includes no analysis on how this will impact the long-term viability of the program, and calls into question just how impactful the program will be to ameliorate our workforce issues in the long run.

Long-Term Services and Supports Infrastructure, Choice and Coordination

While we are greatly supportive of proposals to consolidate the many existing waiver programs for specific, targeted patient populations in order to improve care coordination and efficiency, we do have concerns about centralized, one-size-fits-all approaches; ISMS urges the State to ensure network adequacy for all services required in these populations, and to

further study how moving this extremely vulnerable patient population into managed care settings may inadvertently decrease access to appropriate medical care, some of which may be very expensive.

ISMS greatly supports the concept of “providing the right care, in the right setting, at the right time” so that “individuals can safely remain in the home and community and realize their highest level of independent functioning and quality of life.” This philosophy must remain consistent with delivering medically indicated health care to this population, free of the constraints of typical managed care settings that might not recognize the complexity of patients’ needs and may not appropriately allocate the necessary resources.

Again, thank you for providing the ISMS and all stakeholders the opportunity for input into the state’s efforts on Medicaid reform and expansion. Please know that we remain committed to healthcare financing and delivery that emphasizes physician-led coordinated care, preserves competition, encourages transparency, combats fraud and promotes patient-empowerment through personal responsibility and choice.

Sincerely,

Steven M. Malkin, M.D.
Chair, Board of Trustees
Illinois State Medical Society

Attachment

cc: Eldon A. Trame, M.D.
William A. McDade, M.D.
Alexander R. Lerner